

FLEET MANAGEMENT

DESCRIPTION

The Fleet Maintenance Shops operate as an internal service fund in conjunction with the radio shop. Fleet Maintenance provides efficient repair, servicing, and maintenance operations to users of county and

School Board vehicles. The fleet is a centralized motor pool of county-owned vehicles provided to departments for use in conducting county business.

FINANCIAL ACTIVITY

	FY2002 Actual	FY2003 Adopted	FY2004 Biennial Planned	FY2004 Adopted	Change FY2003 to FY2004	FY2005 Projected	FY2006 Projected	FY2007 Projected
Personnel	\$2,684,999	\$3,023,400	\$3,023,400	\$3,022,400	0.0%	\$3,110,400	\$3,110,400	\$3,110,400
Operating	5,505,161	4,176,800	4,179,300	5,002,200	19.8%	5,002,200	5,002,200	5,002,200
Capital	<u>133,309</u>	<u>1,510,300</u>	<u>1,507,800</u>	<u>870,900</u>	-42.3%	<u>870,900</u>	<u>870,900</u>	<u>870,900</u>
Total	\$8,323,469	\$8,710,500	\$8,710,500	\$8,895,500	2.1%	\$8,983,500	\$8,983,500	\$8,983,500
Revenue	<u>8,385,800</u>	<u>8,710,500</u>	<u>8,710,500</u>	<u>8,895,500</u>	2.1%	<u>8,983,500</u>	<u>8,983,500</u>	<u>8,983,500</u>
Net Cost	(\$62,331)	\$0	\$0	\$0	0.0%	\$0	\$0	\$0
FT Pos.	66	66	66	66	0	68	68	68

BUDGET ANALYSIS AND EVALUATION

During the last four fiscal years, the Fleet Maintenance Shop has concentrated on updating all shop equipment, focused on improving customer service standards, and implemented a personal career path strategy for each fleet employee to meet growing customer service requirements and future fleet maintenance needs. Training opportunities for employees has become a vital requirement in order to keep abreast of the sophisticated use of computers, computer chip components, and the associated computerized test and diagnostic equipment required in today's vehicle maintenance market.

The training requirements have paid dividends in the form of several automotive technicians receiving ASE (Automotive Service Excellence) certifications and the completion of Level One job training requirements for eight employees. The Light and Heavy Vehicle Maintenance Shops were accepted into the National Institute for Automotive Service Excellence Blue Seal Recognition Program. In addition, the Light Vehicle Shop has been accepted into the General Motors, Ford, and Daimler Chrysler

Corporation's fleet maintenance programs. This acceptance authorizes the Light Vehicle Shop to perform warranty repairs of county-owned fleet vehicles. This will not only be a time saving service enhancement for customers but will serve as a profit center, as the manufacturer will pay the county's technicians to perform the work.

The turn-around time for routine maintenance and repairs in the Light and Heavy Vehicle Shops has now been reduced to less than two days, with many jobs being completed in less than one day. The opening of the Walmsley Maintenance Shop has added extra maintenance support capability to the northern end of the county and has reduced the travel time for school buses and police vehicles, which in turn has enhanced customer service delivery. The division has also extended shop operation hours to 10-hour days in an effort to meet customer needs.

The division is researching technical hardware that would allow the required information (vehicle number and odometer reading) to be transferred

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electronically during refueling operations without driver intervention. This enhancement would provide for a more accurate customer billing and substantially reduce the man-hours devoted to tracking down and correcting erroneous mileage reported for monthly billings.

The fleet's budget for FY2004 reflects continued growth of the county's automotive fleet, both in number of vehicles and miles driven. The average age of permanent lease vehicles has been reduced to less than five years as a result of a diligent review of vehicles on a case-by-case basis. Timely replacement is projected to be achieved within three budget cycles.

The FY2004 budget includes \$700,000 to purchase 59 replacement vehicles; \$85,000 for a heavy duty automotive lift; \$7,000 for a brake lathe; \$8,000 for building security lighting improvements; \$7,000 to pave the vehicle lot; \$10,000 for an oil/water

separator; \$14,000 for diagnostic equipment; and other tools and equipment totaling \$39,900. The FY2004 budget also includes salary and benefit increases and funding to reclassify two positions.

All labor rates (for light, heavy, and school buses) will remain constant at \$40 per hour for FY2004. The performance objective of maintaining labor rates 40% below commercial rates exceeded that goal by coming in at 44% in FY2002. The number of work orders completed in FY2002 was 14,780. The goal of ensuring that at least 75% of an automotive technician's time is billed out was exceeded in FY2002 and reached a level of 90% with less than 1% of work orders reworked.

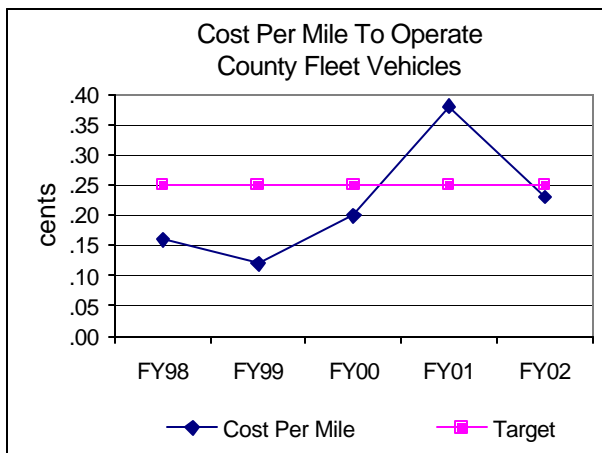
The vehicle rental rate for permanent lease vehicles reflect the annual review of operations, maintenance, and replacement costs for each type of vehicle at the end of the life cycle of 90,000 miles.

HOW ARE WE DOING?

Goal: Provide efficient and effective maintenance support. Supports countywide strategic goal numbers 1, 2, and 4

Objective: Maintain county vehicles for less than 25 cents per mile

Measure: Average annual cost to operate county vehicles



Initiatives

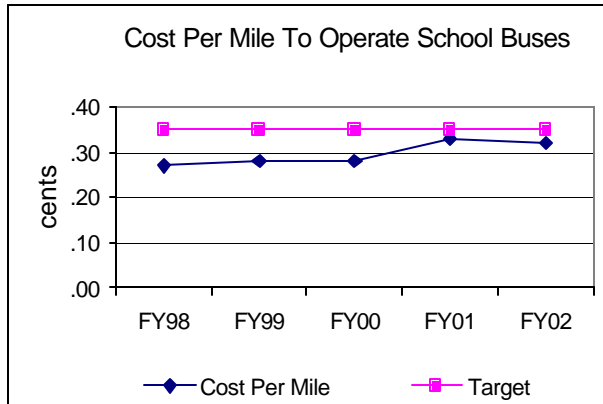
- Scheduled maintenance
- Trained technicians
- Implementation of appointment system
- Opening of Walmsley satellite facility
- 10-hour weekday operations

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Goal: Provide efficient and effective maintenance support. Supports countywide strategic goal numbers 1, 2, and 4

Objective: Maintain school buses for less than 35 cents per mile

Measure: Average annual cost to operate school buses



Initiatives

- Scheduled maintenance
- Trained technicians
- Implementation of appointment system
- Opening of Walmsley satellite facility
- 10-hour weekday operations

WHERE ARE WE GOING?

The Fleet Maintenance Division will continue to look for ways to consolidate and improve its functions and streamline processes in order to remain competitive with private industry. Benchmarking with other localities as well as with private industry will be essential in staying abreast of industry innovations. Continued replacement of obsolete equipment is also a vital component of maintaining the competitive edge with private industry. The division uses a 10-year equipment forecast plan to identify and budget for annual equipment replacement.

Continued training and education for staff is crucial as the complexity of technology in automotive vehicles continues to advance with each new production year. Substantial progress is being made in employee growth in the area of becoming certified technicians.

While the renovation and opening of the Walmsley Maintenance Shop will temporarily give support as

a relief repair facility, a new satellite vehicle maintenance facility will be needed in the future as the fleet of vehicles continues to expand. The FY2009 capital improvement program includes \$75,000 to conduct a feasibility study for vehicle and communications maintenance facilities.

Operating and capital budget projections for FY2005 through FY2007 remain constant. However, continued growth in the school bus fleet has precipitated the need to add two school bus technician positions in FY2005 and beyond to meet minimum school bus operational requirements.

It is anticipated that the rate structure for all fleet services will need to be reviewed and potential adjustment of labor rates and other charges may be necessary in FY2005 and beyond to keep pace with operating cost increases and to maintain adequate equipment replacement.